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SUBJECT: AUSTRIAN MEDIA HIGHLIGHTS: July 05, 2007

Eurofighter: More Expert Opinions

11. Three legal experts appointed by the parliamentary investigative committee looking into the purchase of Eurofighter jets have concluded that Austria did have adequate legal grounds to cancel the original two-billion-Euro contract. The three, Josef Aicher, Andreas Kletecka and Heinz Mayer, said the critical question was whether EADS lobbyist Erhard Steininger had received payments that could constitute a bribe. According to the experts, evidence of payments from EADS, the company which manufactures the Eurofighter jets, of over a million Euros found in the lobbyist's tax records, were proof enough. In contrast, a legal expert for the Defense Ministry concluded earlier this month that any attempt by Austria to cancel the contract would involve lengthy and risky legal proceedings. ORF radio early morning new Morgenjournal meanwhile reports that Austrian Defense minister Norbert Darabos may be facing a vote of no confidence in Parliament today. The opposition parties have accused him of failing to take advice from the parliamentary investigative committee into the Eurofighter deal, which said the purchase contract could be cancelled. However, the vote of no confidence has virtually no chance of success, as the two major parties, the SPOe and the OeVP, will certainly not back the move, Austrian media say. Independent provincial daily Salzburger Nachrichten also reports on the committee's conclusion that a cancellation of the Eurofighter deal would have been possible and justified. The legal expert's findings have come too late, though, as the Defense Minister already concluded an agreement with Eurofighter manufacturer EADS to reduce from 18 to 15 the number of jets to be delivered, the daily adds.

Heater Not the Cause of Kaprun Tragedy

12. A court in Stuttgart, Germany, has ruled that there was no design fault in a heater, which Austrian officials said had caused the Kaprun ski train disaster that left 155 people dead in 2000. The Stuttgart court said the German company Fakir, which manufactured the heater, was not responsible for the fire, Austria's worst post-war tragedy. Most of the passengers died when they became trapped in the ski train's smoke-filled tunnel. The court said, however, that the heater was not designed to be installed in the conductor's cabin, according to ORF radio early morning news Morgenjournal on July 4.

Ambassador McCaw to End Her Assignment

 $\P 3$. The US Ambassador to Austria Susan McCaw will end her assignment toward the end of this year, although the exact date of her

departure has not yet been determined, Austria's Press Agency reported on July 3. Ambassador McCaw has already informed US President George Bush, Secretary of State Condoleezza Rice and the Austrian government that she is leaving for personal reasons, the press agency quotes from a US Embassy Vienna press release. The Ambassador described her time in Austria, a "wonderful and dynamic country," as one of the "most remarkable and rewarding experiences" of her life.

All Austrian media report on the US Embassy Vienna press release announcing that US Ambassador to Austria Susan McCaw will end her assignment toward the end of the year. Mass-circulation daily Kurier wrote on July 4 that the ambassador's announcement came as a "complete surprise." The daily also quoted Ambassador McCaw as praising her time in Austria as "one of the most remarkable and rewarding experiences" of her life, and emphasized that the "investment banker and Harvard graduate has been an extremely active Ambassador and has acquired an excellent reputation in Austria within a very short time." It is one of Ambassador McCaw's "goals to boost the US image by maintaining a dialogue," the Kurier added. Independent provincial daily Salzburger Nachrichten, semi-official daily Wiener Zeitung, liberal daily Der Standard, mass-circulation tabloids Kronen Zeitung and Oesterreich, centrist daily Die Presse, and mass-circulation provincial daily Kleine Zeitung also reported on the issue.

On Thursday, Austrian Press Agency APA reports on this year's July 4th Party at the Ambassador's residence in Vienna. The party truly lived up to its "country and western" theme, with hats and bandanas being distributed among the guests. But despite the cheerful and festive atmosphere many of the guests must have felt a touch of sadness, as the party turned out to be the last July 4 event hosted by Mrs. McCaw as US Ambassador to Austria, APA notes.

Mass-circulation daily Kurier writes that the well attended event was a huge success.

Plassnik: Hamas Has No Place in Mideast Talks

14. Austrian Foreign Minister Ursula Plassnik has said Palestinian militant group Hamas should be excluded from any peace negotiations between Israel and the Palestinians. Speaking in Vienna after talks with Palestinian MP Hanan Ashrawi earlier this month, Plassnik said Hamas had maneuvered itself into exclusion. The Austrian Foreign Minister also appealed to former British Prime Minister Tony Blair in his new function as envoy for the Middle East Quartet to pressure Israel to take up substantive negotiations with Palestinian President Mahmoud Abbas' government regarding a two state solution to the Israeli Palestinian conflict. Plassnik stressed the time had come to move from direct crisis management to sustainable conflict resolution, says semi-official daily Wiener Zeitung.

Britain Lowers Threat Level

15. Britain lowered its threat level from its highest level "critical" to "severe" Wednesday, saying the threat of a terrorist attack was no longer imminent. British authorities have detained eight people in connection with the terror probe and believe they have all of those responsible for the attacks in custody. British Prime Minister Gordon Brown has vowed to take measures to increase security in the wake of the attempted bombings. In addition to expanding the watch list of potential terrorists, Brown said background checks will be stepped up and British authorities will keep a closer eye on how it recruits doctors from other countries. In an analysis, semi-official daily Wiener Zeitung meanwhile argues that Europe will have to change its views, given the fact that the failed attacks in Britain have revealed that terrorism has acquired a new dimension and quality. In addressing this threat, "simple luck alone will not suffice," the daily argues. Today, the terrorists are relying on their own networks and are acting systematically, according to the Wiener Zeitung. Another remarkable aspect is the fact that the perpetrators are no longer from "traditional Islamist circles," but increasingly includes young followers from bourgeois and middle-class neighborhoods who have been radicalized by so-called "hate preachers," and who are getting their information on how to build bombs from the internet. The daily also quotes from a statement published by the Muslim community in Austria urging moderation: "What is required now is more than a mere condemnation

of the terrorist activities uncovered in Britain. Reflection on the part of the Muslim citizens is just as necessary as determining practical consequences." The fact that medical doctors had been involved in the attempted attacks "should motivate the Muslim basis more than before to clearly state -- not only in discussions with non-Muslims -- their position that terrorism directly and massively contradicts the teachings of Islam," the Muslim Community underscored.

Pakistan: Explosion Near Red Mosque

16. Security forces in Pakistan have set off a series of explosions outside the Red Mosque in Islamabad, which is the scene of a standoff between police and radical Islamist students, who are demanding a form of Sharia law in Pakistan. According to police the explosions were to serve as a warning aimed at convincing those inside the mosque to surrender. At least 16 people have died in recent clashes at the complex, says mass-circulation tabloid Oesterreich.

McCaw